

# X LANXESS – Q1 2026 results

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# Agenda

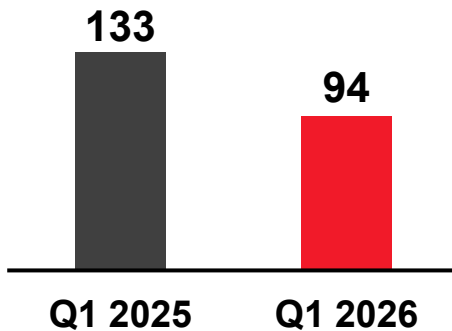
- 1. Review Q1 2026 and outlook**
2. Financial and business details Q1 2026
3. Appendix

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# Weak start of the year but focus on cashflow remains

[in € m]

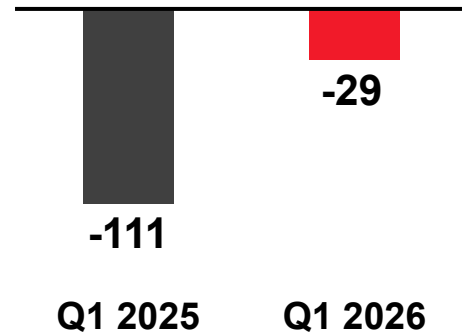
## Q1 EBITDA pre



Main drivers:

- Lower volumes
- Adverse FX effect
- Negative portfolio effect

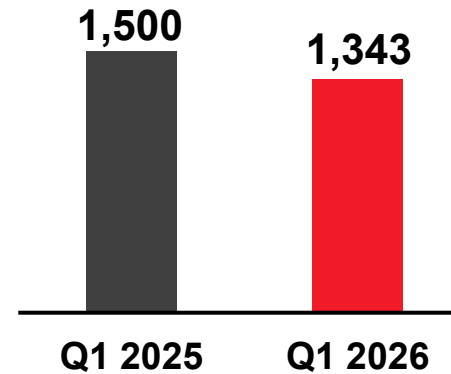
## Q1 Free cash flow



**Improved**

Seasonally negative

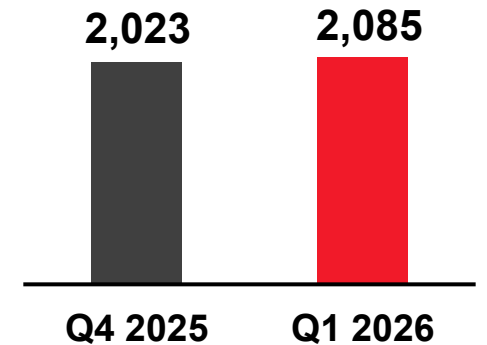
## Net working capital



**Improved**

yoy with seasonal sequential increase

## Net financial debt



**Minimal increase**

vs. Q4 2025

# Middle East conflict quickly changed market conditions asking for swift and agile business reactions

Competitive landscape, supply chain & price environment led to several effects and actions



**Less competitive pressure from Asia e.g. in upstream chemicals**



**Secured supply chains based on European sources**



**Quick reaction through immediate price increases**



**Seasonal inventory build-up only**

# Iran conflict: Immanent risks and chances hard to predict

LANXESS assumption on (short-term) segment impact is heterogeneous



**Consumer Protection**



**Lower upside potential**



**Specialty Additives**



**Moderate upside potential**



**Advanced Intermediates**



**Moderate to high upside potential**



# FY 2026 guidance confirmed: EBITDA pre expected in €450 – 550 m range



## Our view on economic environment

- Significant macro-economic uncertainties persist, intensified by Middle East conflict
- Positive effect from German infrastructure program on construction end industry expected to start earliest in H2 2026
- FX headwinds throughout the year vs. PY



## LANXESS outlook

- **Considerations for FY:**
  - Continued cost streamlining to mitigate inflation, savings back-end loaded
- **Considerations for Q2:**
  - Momentum for improved performance gained traction starting in March
  - Shift in competitive landscape due to Iran conflict beneficial but might be temporary
  - Price increases expected to counteract raw material price inflation
  - **Q2 EBITDA pre expected in €130-150m range**

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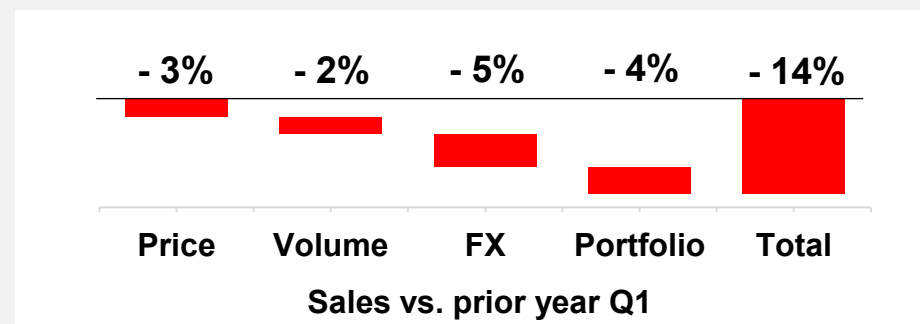
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# LANXESS Group: Weak start of the year gained momentum in March

[€ m]	Q1/2025	Q1/2026	Δ
Sales	1,601	1,378	-14%
EBITDA pre	133	94	-29%
Margin	8.3%	6.8%	
Capex	45	41	-9%



- Visible increase in orders on hand in March in most businesses coming from exceptionally low levels in first two months
- Mixed picture on volume development: Additives segment with overall volume growth, construction still weak
- Low utilization intensified by winter storms and plant turnarounds weighed on earnings and margin
- Unfavorable FX development and URE portfolio effect weigh on sales and earnings

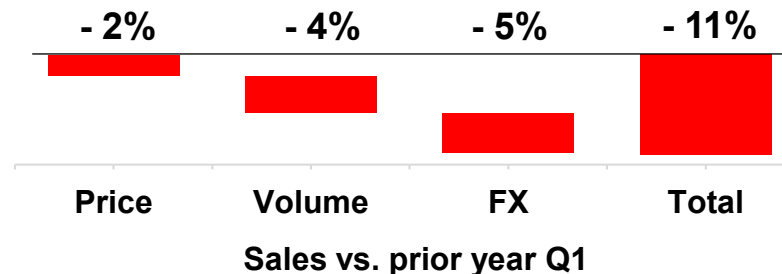


# Consumer Protection: Q1 still challenged; prior-year quarter supported by one-time effect

[€ m]	Q1/2025	Q1/2026	Δ
Sales	513	458	-11%
EBITDA pre	73	62	-15%
Margin	14.2%	13.5%	
Capex	10	10	0%



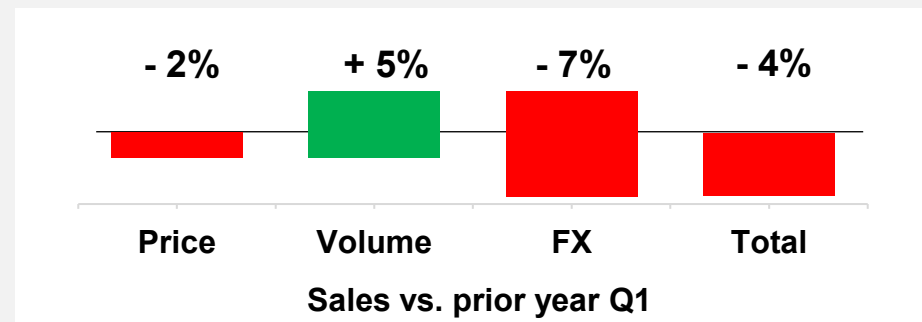
- Lower prices due to pass-through of input cost deflation and ongoing price pressure particularly in agro; effects from price increases and anti-dumping measures to come
- Lower volumes in most businesses (i.e agro and construction); strong contribution from water treatment
- Utilization remained low affecting earnings and margin; first increases of customer orders towards end of quarter
- Negative FX effect biggest driver for sales decline (mainly USD)
- Last year's Q1 earnings supported by insurance compensation (high single-digit € m)



# Specialty Additives: Positive volumes but negative FX effect held back earnings development

[€ m]	Q1/2025	Q1/2026	Δ
Sales	545	521	-4%
EBITDA pre	52	44	-15%
Margin	9.5%	8.4%	
Capex	13	12	-8%

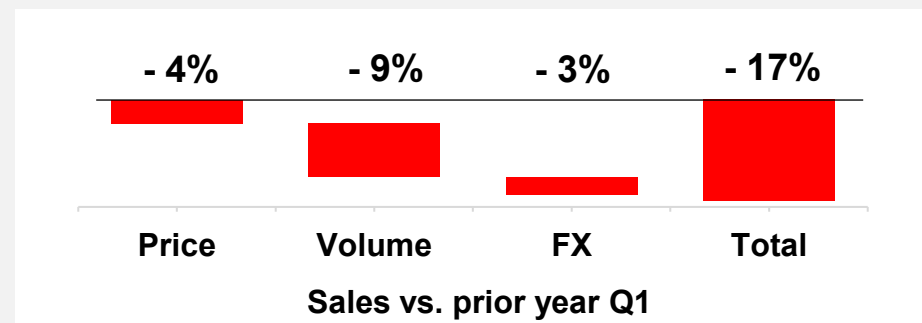
- Slightly lower prices in line with pass-through of lower raw material costs for all businesses
- + Increased volumes mainly in lubricants and brominated flame retardants
- + Positive volume momentum in all businesses started in March
- Significant FX effect (mainly weaker USD) overcompensated volume increase
- Earnings held back by impacts from US winter storms



# Advanced Intermediates: Weak quarter as expected

[€ m]	Q1/2025	Q1/2026	Δ
Sales	476	396	-17%
EBITDA pre	40	27	-33%
Margin	8.4%	6.8%	
Capex	18	18	0%

- Lower prices due to pass-through of lower input costs and competitive pressure from Asia
- + Positive effects from recent price increases expected to materialize especially in BU All in Q2
- Lower volumes due to persistently weak demand, Asian competition and closure of CXO plant
- Ongoing low utilization, intensified by major turnaround in aromatic network, weighed on results



# P&L Q1: Decreased earnings mainly due to unfavorable FX-development and absence of Urethane Business

P&L [€ m]	Q1/2025		Q1/2026		yoy
<b>Sales</b>	<b>1,601</b>		<b>1,378</b>		<b>-14%</b>
Cost of sales	-1,279		-1,116		13%
Selling	-226		-208		8%
G&A	-64		-56		13%
R&D	-29		-26		10%
<b>EBIT</b>	<b>-23</b>	<b>(-1%)</b>	<b>-40</b>	<b>(-3%)</b>	<b>-74%</b>
Financial result	-38		-96		-
<b>Net Income</b>	<b>-57</b>	<b>(-4%)</b>	<b>-141</b>	<b>(-10%)</b>	<b>-</b>
<b>Adjusted EPS [€]</b>	<b>0.23</b>		<b>-0.50</b>		<b>-</b>
<b>EBITDA</b>	<b>112</b>	<b>(7%)</b>	<b>81</b>	<b>(6%)</b>	<b>-28%</b>
<i>thereof except.</i>	-21	(1%)	-13	(1%)	-38%
<b>EBITDA pre except.</b>	<b>133</b>	<b>(8%)</b>	<b>94</b>	<b>(7%)</b>	<b>-29%</b>

- Lower sales mainly due to unfavorable FX and portfolio effect (Urethanes business)
- Lower selling expenses mainly due to lower volumes
- Reduction of all cost items, helped by cost saving measures and FX development
- Financial result driven by lower Envalor at-equity result and shareholder loan valuation
- Earnings and margin decrease mainly as a result of unfavorable FX development, absence of Urethane Systems business and lower volumes

# Cashflow statement reflects disciplined NWC management despite seasonal build-up in uncertain times

Cash flow [€ m]	Q1/2025	Q1/2026
Profit before tax	-61	-136
Depreciation & amortization	135	121
Result from investments accounted for using the equity method	31	64
Financial losses	7	25
Income taxes	5	7
Changes in working capital	-181	-126
Changes in other assets & liab.	-2	57
<b>Operating cash flow</b>	<b>-66</b>	<b>12</b>
Capex	-45	-41
<b>Free cash flow</b>	<b>-111</b>	<b>-29</b>

- Lower profit before tax due to lower at-equity and operating result
- At-equity result reflects mainly Envalior result; closure of glass fiber plant
- Financial losses reflect non-cash items in financial result: mainly valuation of Envalior loan (lower fair value due to increased interest environment)
- Changes in working capital reflect a normal seasonal pattern; still tightly managed
- Changes in other assets & liabilities in Q1 `26 mainly due to personnel- related provisions and VAT reimbursement

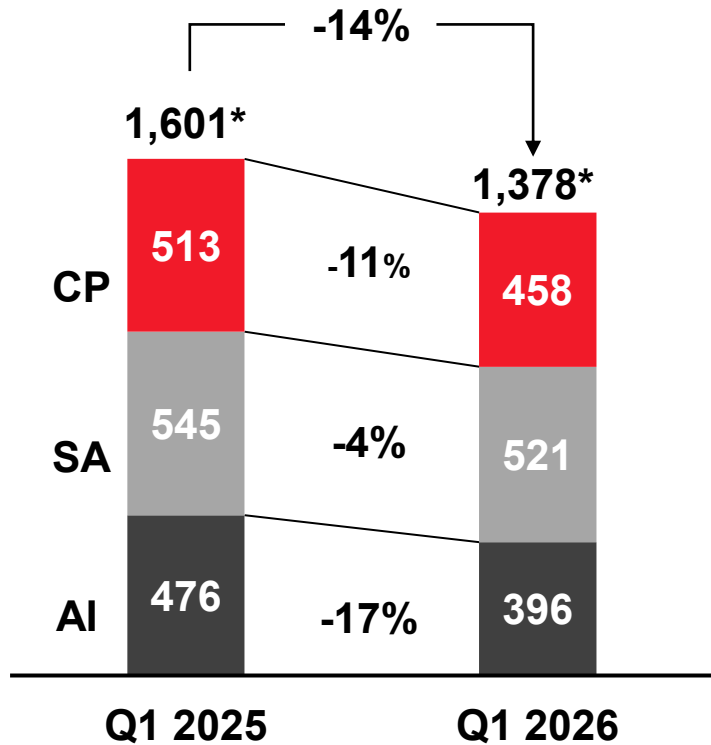
## Continued strong equity ratio

Balance sheet [€ m]	31.12.2025	31.03.2026
<b>Total assets</b>	<b>7,748</b>	<b>7,750</b>
Equity	3,500	3,498
<b>Equity ratio</b>	<b>45%</b>	<b>45%</b>
<b>Net financial debt<sup>1</sup></b>	<b>2,023</b>	<b>2,085</b>
Net financial debt after deduction of ENVALIOR shareholder loan	1,762	1,840
<b>Pension provisions</b>	<b>421</b>	<b>373</b>
<b>Net working capital</b>	<b>1,200</b>	<b>1,343</b>

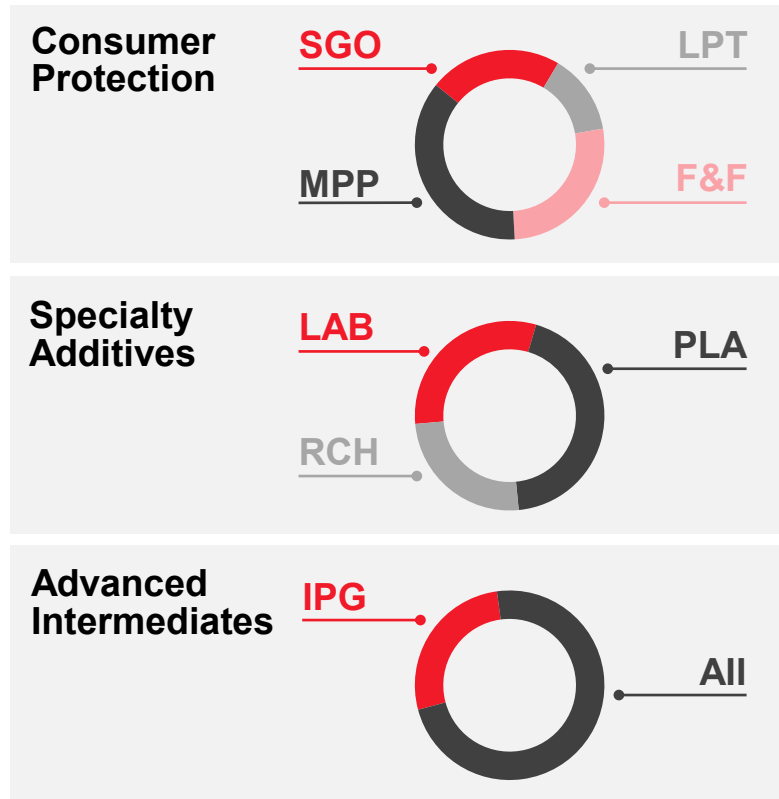
- Total assets and equity stable: Positive FX effects compensated reduced net income
- Equity ratio remains strong
- Net financial debt slightly up versus year end 2025
- Lower pension provision given an increase in interest rates esp. in Germany
- Seasonal working capital increase

# Q1 2026: FX & portfolio driven lower sales in weak demand environment

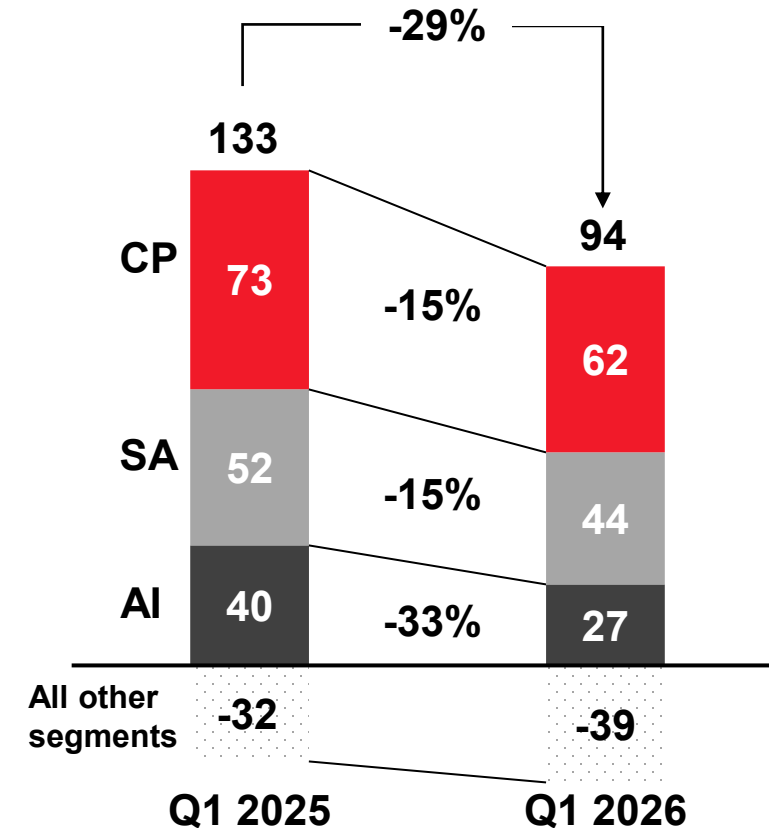
Sales [€ m]



Sales share [€ m]



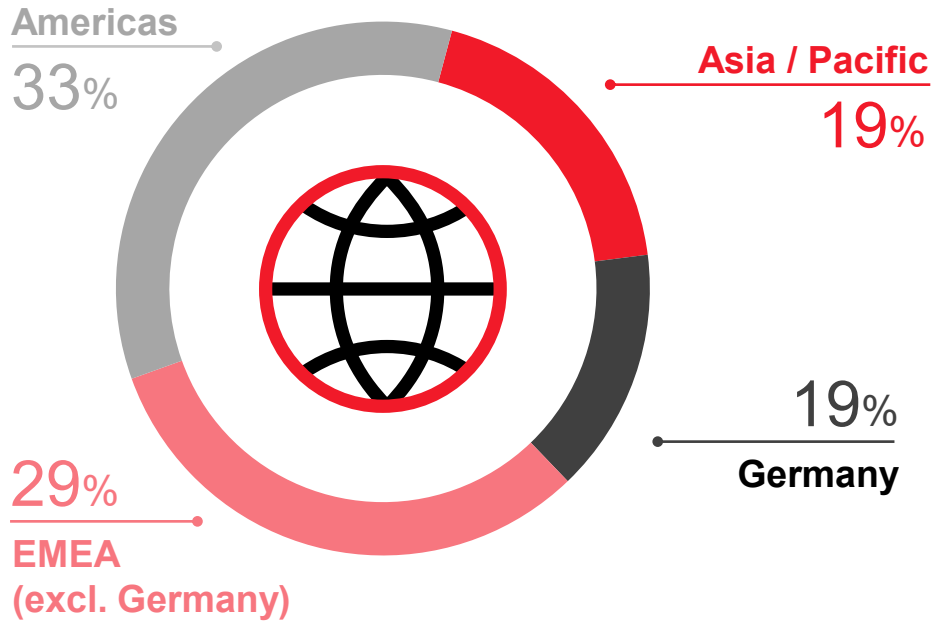
EBITDA pre [€ m]



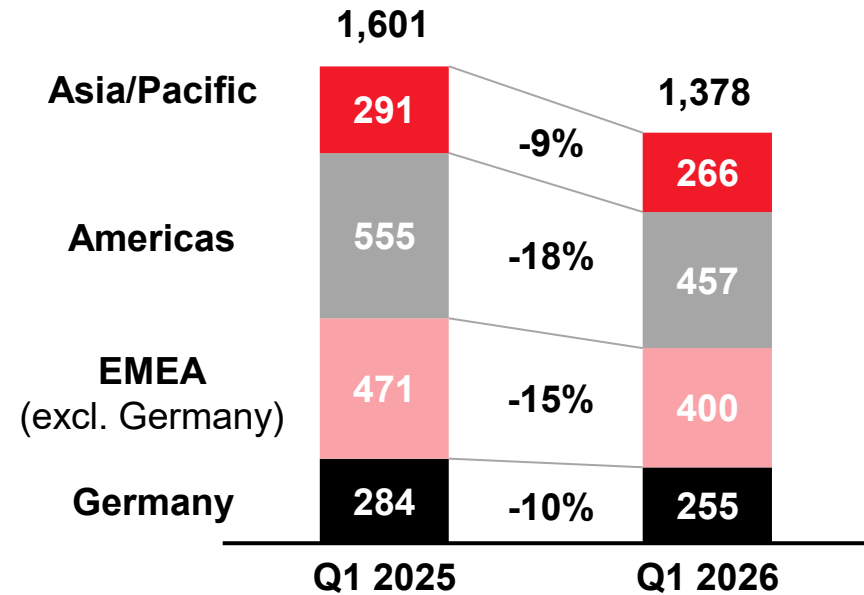
\* Total group sales including all other segments

# Q1 2026: Mainly volume-driven sales decline

Q1 2026 sales by region [%]



Regional development of sales [€ m]



# Targeting further €150 m structural savings by the end of 2028

Actively adjusting our cost structure

**FORWARD!**



**~€150 m**

by the end of 2025

**More to come...**



[in € m]	2026	2027	2028
Savings	~65	~55	~30
Cash Outs <sup>1</sup>	~25	~15	~10
FTEs <sup>2</sup>		~550	

**~€50 m + ~€100 m**

by the end of 2028

**...implementation by:**

- Reduction of ~550 positions worldwide across all functions
- Fluctuation & demographics supportive
- Adjustments in production network<sup>3</sup>

<sup>1</sup> Additional €10 m cash-outs already included in 2025

<sup>2</sup> FTEs: full-time equivalents

<sup>3</sup> As announced in Q2 2025

## Lower exceptional items (on EBIT), mainly related to IT-projects

[€ m]	Q1 2025		Q1 2026	
	<i>Excep.</i>	<i>thereof D&amp;A</i>	<i>Excep.</i>	<i>thereof D&amp;A</i>
Strategic realignment and restructuring (incl. FORWARD!)	-1	0	-4	-1
Strategic IT-projects	-8	0	-6	-0
M&A, digitalization and others	-12	0	-4	-0
<b>Total</b>	<b>-21</b>	<b>0</b>	<b>-14</b>	<b>-1</b>

# Price increases in Q1

to actively counter-steer increasing raw material and energy costs across all segments

Product / Portfolio	Business Unit (Segment)	Price increase	Announcement
Lewatit® ion exchange resins	Liquid Purification Technologies (CP)	+6% to +8%	2026-04-07
Sulfur-based products	Advanced Industrial Intermediates (AI)	avg. of +40%	2026-03-30
Inorganic pigments	Inorganic Pigments (AI)	up to +20%	2026-03-25
Microbial Control products	Material Protection Products (CP)	up to +30% for active ingredients, preservatives and disinfectants; selectively higher	2026-03-24
Polymer Additives portfolio	Polymer Additives (SA)	up to +35% (Flame Retardants & Specialty Additives) & up to +50% (Plasticizers)	2026-03-23
Diphenylamine & alkylated diphenylamine	Lubricant Additives (SA)	+50% or more	2026-03-17
Trimethylolpropan	Advanced Industrial Intermediates (AI)	avg. of +20%	2026-03-13
1,6-Hexanediol	Advanced Industrial Intermediates (AI)	avg. of +20%	2026-03-13
Rubber Additives	Rhein Chemie (SA)	+15% to +50%	2026-03-11
Adipic acid	Advanced Industrial Intermediates (AI)	+€100/t	2026-01-26

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'26

# Housekeeping items 2026

Outlook FY 2026 (in € m)

<b>Capex</b>	<b>~330</b>	
<b>Operational depreciation</b>	<b>~340</b>	<ul style="list-style-type: none"> <li>▪ excluding ~€130 m of intangible amortization</li> </ul>
<b>All other segments (EBITDA pre)</b>	<b>-140 to -150</b>	
<b>Exceptional expenses</b>	<b>~40 to 60</b>	<ul style="list-style-type: none"> <li>▪ on EBIT, based on current projects</li> </ul>
<b>FX sensitivity</b>	<b>~3</b>	<ul style="list-style-type: none"> <li>▪ EBITDA pre impact after hedging per cent change of EUR/USD</li> </ul>
<b>Savings</b>	<b>~65</b>	<ul style="list-style-type: none"> <li>▪ Back-end loaded</li> </ul>

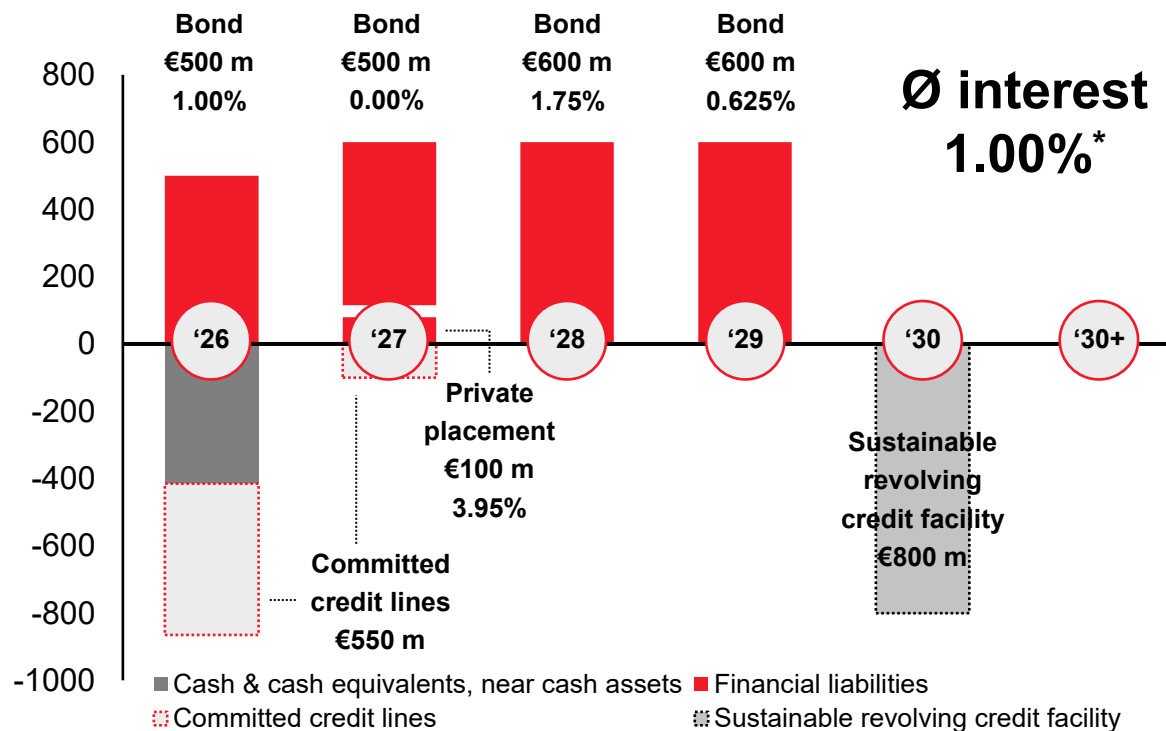
# Maturity profile well balanced

Actively managed – ample liquidity available (as of March 2026)

## Long-term financing secured

- All group financing executed without financial covenants
- Next maturity in October 2026  
Refinancing secured by:
  - cash and cash equivalents available
  - highly liquid bond market
  - available credit lines

## All group financing executed without financial covenants





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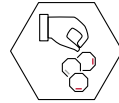
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# Abbreviations



## Consumer Protection

- MPP**      Material Protection Products
- F&F**      Flavors & Fragrances
- SGO**      Saltigo
- LPT**      Liquid Purification Technologies



## Specialty Additives

- PLA**      Polymer Additives
- LAB**      Lubricant Additives Business
- RCH**      Rhein Chemie



## Advanced Intermediates

- AII**      Advanced Industrial Intermediates
- IPG**      Inorganic Pigments

# Upcoming events 2026 – Proactive capital market communication

- |       |  |    |                                       |   |                     |
|-------|--|----|---------------------------------------|---|---------------------|
| 13    | UBS Pan European Small and Mid-Cap Conference London | 11 | Kempen Chemicals Conference Frankfurt | 7 | <b>Q2 Reporting</b> |
| 19    | Citi European Conference London                      |    |                                       |   |                     |
| 21    | <b>Annual General Meeting</b>                        |    |                                       |   |                     |
| 26/27 | dbAccess European Champions Conference Frankfurt     |    |                                       |   |                     |

